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Mark Order 10
to ok 6/10/60
See Cont's file

In replying please address:

25X1

(AIR FED INCINERATORS)

June 7, 1960

Dear Sir:

In accordance with a recent discussion with your technical representatives, we are submitting herewith a proposed program directed toward providing assistance and advisory services in connection with the manufacture of four Model 1 incinerators by a commercial fabricator.

In our previous effort under Task Order No. Z, we developed the Model 1 incinerator for burning files-type papers under normal as well as emergency conditions. Also, a set of working drawings for this unit, and a brief resume of anticipated fabrication problems and our recommended solutions were prepared. Subsequently, your technical representatives formalized a set of tentative "specifications" covering the manufacture of the Model 1 incinerator; and, on the basis of these "specifications" and working drawings, recently let a contract to a commercial fabricator for the manufacture of four Model 1 incinerators. In order to facilitate the manufacture of these units, your technical representatives have requested that we consider providing a limited amount of assistance and advisory services. Accordingly, a program directed toward achieving this goal is outlined in the following, and indicates particularly the types of activity that would be performed, within the limits of the funds and time provided.

DOC 1 REV DATE 2 July 80 BY 057447
ORIG COMP OSB CFI SB TYPE 01
ORIG CLASS S PAGES 4 REV CLASS C
JUST 22 NEXT REV 2010 AUTH: HR 10-2

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It is currently contemplated that general liaison would be maintained with the selected commercial fabricator. On the basis of our experience in the design, development, and evaluation of two prototypes of the Model 1 incinerator, we would provide guidance and assistance to the fabricator particularly at the difficult stages of manufacture and during the inspection of the various components and of the assembled units. In order to carry out this proposed activity, a minimum number of trips would be made to the plant of the fabricator, where, we understand, the manufacturing operations will be conducted. Also, attempts would be made to record any changes to the working drawings that might reflect the fabrication know-how and experience of the selected fabricator.

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Further, advisory aid would be provided to your technical representatives in finalizing the procedure to be followed by the fabricator in the performance of the inspection-acceptance testing of the four units.

Your technical representatives would be kept informed of the progress of the proposed activity by discussions via telephone and during periodic visits. At the conclusion of the proposed research period, a brief letter report would be submitted that summarized the activity performed.

We propose to undertake this effort over a period of two months starting on the date of acceptance of authorization from the Contracting Officer to proceed. The proposed program could be conducted under Task Order No. KK. The Work Order would be a period-basis research agreement; it could be similar in form to those used previously under Task Order No. KK, and the same administrative procedures would be followed. The Work Order would require only that the effort be directed toward the objective outlined above, within the limits of the time and funds provided.

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It is estimated that an appropriation of \$514, including the fixed fee, is needed to fund the proposed program for the two-month period. A general breakdown of the estimated costs is attached.

If any additional information is needed, please call us. You may direct any inquiries of a contractual nature to

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Very truly yours,

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EES:sjm

In Duplicate

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Proposal of [] to the U. S. Government.

For ~~Research~~ Assistance and Advisory Services in Connection With Four Model 1 Incinerators.Based upon a period-basis Contract for a research period of **two months**

(Including time for submission of all reports. The proposed contract will not provide for earlier conclusion of the research.)

ESTIMATED COSTS

We expect that the cost of this research for the period indicated above may be distributed approximately as set forth hereon, subject to the understanding that this allocation is merely an estimate, and actual costs incurred may vary from the categories shown. We have determined that these estimates are reasonable and consistent with [] established policies in its research for the various Government agencies, which policies are briefly discussed below and will be followed in determination of our actual costs hereunder.

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Materials & Supplies, etc.**Nominal**

(Including any equipment which may be purchased as necessary in performance of the research. Charges of \$25 or less are excluded from this item.)

Use of Equipment and Technical Services, Travel, and Misc.**\$ 85**

(Including applicable costs of technical research and service divisions, and use of technical equipment, except that any undistributed balances of these accounts will be included in overhead. Cost of travel includes reasonable actual subsistence expenses and the actual cost of transportation. An allowance of up to 8¢ per mile for all necessary travel by privately owned conveyance is included in lieu of the cost of such travel.)

Salaries & Wages

(Including our predetermined accrual for vacation, holiday, and sick-leave pay, pensions, and social security.)

Type of Employee	No. of Man-Months	Estimated Cost
Supervision	Nominal	Nominal
Research Engineers	1/3	\$250
Lab. Assistants	Nominal	Nominal
Steno., Clerical, Shop & Photo., etc.	Nominal	Nominal
Total Salaries & Wages		<u>\$250</u>

Overhead

59 per cent of salaries and wages, as they are defined above. Provisional monthly reimbursement will be at the rate of 59 per cent of salaries and wages, as so defined, or at such other provisional rate as may from time to time be mutually agreed upon with the Government's audit representatives. This is a provisional rate for current reimbursement, which we have arrived at by negotiation with Government representatives, and it will be subject to retroactive revision to the "actual" rate agreed upon with them for each calendar year following a detailed audit for that year. The item of overhead includes general research, charges of \$25 or less for materials and supplies, and other categories of costs we customarily include in our overhead account. Cash discounts on all purchases will be credited to overhead, instead of to the amount of the purchase. Scrap of appreciable value will be credited directly to the project. All other scrap will be credited to the overhead account, in which the Government participates.)

\$150**Total Estimated Cost**\$485**Fixed Fee**\$ 29*Please let us have your acceptance in our hands by **June 30, 1960.** **Contract Price**\$514

Unless we extend the time, your acceptance after that date will be subject to agreement.

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